



U.S.-Saudi Business Council  
مجلس الأعمال السعودي الأمريكي

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**Weekly Market Brief**  
*Week Ending March 29<sup>th</sup>, 2024*

**SAUDI ARABIAN MARKET**

**Saudi Arabia Macroeconomic Developments**

- According to the National Labor Observatory, 1.06 million workers joined the private sector labor market in 2023, with women constituting 37 percent of the total, representing a 2 percent increase from 2022.
- Saudi Arabia's overall unemployment rate dropped to 4.4 percent in the fourth quarter of 2023, marking a decrease of 0.4 percent YoY. Unemployment among Saudi nationals stood at 7.7 percent in the fourth quarter of 2023, indicating a decrease of 0.3 percent YoY.
- Point-of-sale (POS) payments in Saudi Arabia recorded an 11 percent annual increase in January to reach SAR53.8 billion (\$14.35 billion), according to SAMA. The largest portion of POS spending in January was allocated to beverages and food, comprising 16 percent of the total at SAR8.44 billion (\$2.3 billion).
- Saudi Arabia's non-oil exports increased 0.8 percent in January YoY. According to the General Authority for Statistics (GASat), the total value of the sector, including re-exports, reached SAR24 billion (\$6.40 billion).

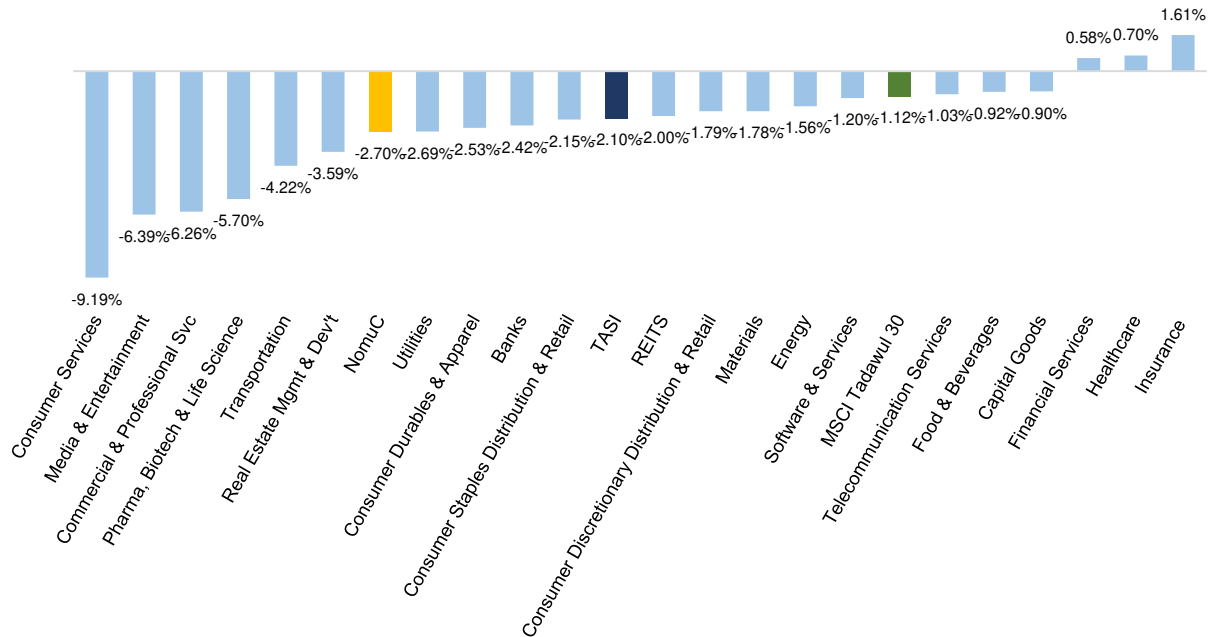


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**Tadawul**

The TASI decreased by 2.10 percent last week and closed at 12,565 points. Only three sectors finished the week in positive territory with 'Insurance' growing by 1.61 percent. 'Consumer Services' led the declines as it dropped 9.19 percent. The NomuC parallel market index slipped 2.70 percent and closed at 26,622 points, while the MSCI Tadawul 30 fell 1.12 percent and closed the week at 1,599 points.

Tadawul Weekly Index Performance - March 29<sup>th</sup>, 2024



Source: Tadawul, USSBC



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**Business, Trade, & Investment**

- Ayar Third Investment Company, a PIF affiliate, will buy SAR3.75 billion (\$1 billion) in convertible preferred stock in EV maker Lucid, and will be able to convert the preferred stock into approximately 280 million shares, according to a filing with the U.S. Securities and Exchange Commission (SEC).
- Foreign direct investment (FDI) inflows to Saudi Arabia rose 17 percent in the fourth quarter of 2023 QoQ. FDI inflows reached SAR19.38 billion (\$5.17 billion), up from SAR16.6 billion (\$4.4 billion) in the third quarter.

**Banking**

Money supply M1, M2, and M3 increased by 0.98 percent, 0.99 percent, and 1.32 percent, respectively, during the week ending March 21<sup>st</sup>.



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## **U.S. MARKETS**

### **U.S. Macroeconomic Developments**

- New home sales dipped 0.3 percent to a 662K-unit pace during February. The slight decline occurred against a backdrop of mortgage rates creeping higher during the month.
- Durable goods orders rose 1.4 percent in February as a drop in aircraft orders contributed to the decline. Orders excluding transportation rose 0.5 percent.
- The latest revisions put Q4 GDP at 3.4 percent, the second fastest quarterly growth rate in two years. Much of the upside was attributable to stronger consumer spending.

### **Fixed Income**

The yield on the ten-year U.S. Treasury decreased to 4.20 percent.

### **Equity Markets**

The Dow Jones Industrial Average (DJIA) increased by 0.84 percent and finished the week at 39,807 points. The S&P 500 grew by 0.24 percent and finished at 5,254 points. The NASDAQ declined by 0.14 percent and ended the week at 16,379 points.



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**GLOBAL OIL MARKETS**

- Arab light crude increased by 2.78 percent and finished the week at \$88.78. Global benchmark Brent crude grew 2.40 percent to \$87.48 a barrel, while U.S. West Texas Intermediate (WTI) crude jumped 3.15 percent and closed at \$83.17.
- Oil prices grew on OPEC+ staying the course on production cuts, ongoing attacks on Russia's energy infrastructure, and a falling U.S. rig count tightening crude supplies.
- Saudi Arabia may raise the official selling price (OSP) for flagship Arab Light crude in May after Middle East benchmarks strengthened last month. The May OSP for Arab Light crude could rise by 20 to 30 cents a barrel from April, according to a Reuters survey of six refining sources.

**THE WEEK AHEAD**

- U.S. releases ISM Manufacturing PMI for March on April 1
- Saudi Arabia releases Riyadh Bank PMI for March on April 2
- U.S. releases Non-Farm Payrolls for March on April 5